



5929 Balcones Drive, Suite 200  
Austin, TX 78731-4280  
Phone: 512.343.2544  
Fax: 512.343.0119

REDACTED – FOR PUBLIC INSPECTION

**VIA ECFS**

October 14, 2013

Marlene H. Dortch, Secretary  
Federal Communications Commission  
Office of the Secretary  
445 12<sup>th</sup> Street, S.W.  
Washington, D.C. 20554

RE: Annual Report for Prairie Grove Telephone Company Pursuant to 47 C.F.R. §54.313 and 54.422, WC Docket Nos. 10-90 and 11-42

Dear Ms. Dortch:

In accordance with the annual reporting requirements of 47 C.F.R. §§ 54.313 and 54.422 Prairie Grove Telephone Company (the Company), Study Area Code 401718 is submitting a completed FCC Form 481 to the Commission via its Electronic Comment Filing System (ECFS). Section 3005 of the Form 481 requires a privately-held rate of return carrier receiving high cost support to attach financial information pursuant to 47 C.F.R. § 54.313(f)(2). The Company maintains that the financial information is confidential and is submitting through ECFS a redacted document as an attachment for section 3005 of the FCC Form 481 in WC Docket Nos. 10-90 and 11-42.

Prairie Grove Telephone Company, by its authorized representative, hereby submits confidential information pursuant to 47 C.F.R. § 54.313(f)(2), under seal, subject to the Protective Order adopted November 16, 2012 in the above-named dockets.<sup>1</sup> The Company is providing to the Office of the Secretary the original and one copy of the cover letter and confidential information for WC Docket No. 10-90. The confidential information relates only to WC Docket No. 10-90. There is no claim of confidentiality for any information related to WC Docket No. 11-42.

Two copies of this cover letter and confidential information are also being delivered to Mr. Charles Tyler, Telecommunications Access Policy Division, Wireline Competition Bureau, in accordance with the Protective Order.

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<sup>1</sup> FCC Record DA 12-1857



Marlene H. Dortch  
October 14, 2013  
Page 2 of 2

The confidential information has also been submitted to the Universal Service Administrative Company through its E-File system as an attachment to the FCC Form 481.

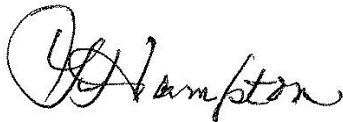
Each page of the confidential submission bears the legend, "CONFIDENTIAL FINANCIAL INFORMATION SUBJECT TO PROTECTIVE ORDER IN WC DOCKET NOS. 10-90, 07-135, 05-337, 03-109, CC DOCKET NOS. 01-92, 96-45, GN DOCKET NO. 09-51, WT DOCKET NO. 10-208, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION."

An original and three copies of the redacted confidential information and cover letter are also being filed simultaneously with the non-redacted confidential information, in accordance with the August 6, 2013 Public Notice (DA 13-1707). The original and one copy are provided for WC Docket No. 10-90 and two additional copies are provided for WC Docket No. 11-42. The redacted version of the cover letter for this filing and each page of the filing is marked "REDACTED - FOR PUBLIC INSPECTION."

This cover letter includes no confidential information and the text is the same in both the non-redacted and redacted versions except for the confidentiality markings.

Please contact me if you have any questions.

Sincerely,



Lynette Hampton  
Authorized Representative for  
Prairie Grove Telephone Company

Enclosures

cc: Mr. Charles Tyler, Telecommunications Access Policy Division, Wireline Competition Bureau,  
Federal Communications Commission (2 hardcopies of non-redacted submission)

Mr. Rick Reed, Prairie Grove Telephone Company



**FCC Form 481 - Carrier Annual Reporting  
Data Collection Form**

FCC Form 481  
OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

<010> Study Area Code	401718
<015> Study Area Name	PRAIRIE GROVE TEL CO
<020> Program Year	2014
<030> Contact Name: Person USAC should contact with questions about this data	Rick Reed
<035> Contact Telephone Number: Number of the person identified in data line <030>	479-846-7200
<039> Contact Email Address: Email of the person identified in data line <030>	reed@pgtc.com

ANNUAL REPORTING FOR ALL CARRIERS			54.313 Completion Required	54.422 Completion Required
(check box when complete)				
<100> Service Quality Improvement Reporting	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
<200> Outage Reporting (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
<210> <input checked="" type="checkbox"/> <-- check box if no outages to report				
<300> Unfulfilled Service Requests (voice)	<input type="text" value="0"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
<310> Detail on Attempts (voice)	(attach descriptive document)	<input type="checkbox"/>	<input type="checkbox"/>	
<320> Unfulfilled Service Requests (broadband)		<input type="checkbox"/>	<input type="checkbox"/>	
<330> Detail on Attempts (broadband)	(attach descriptive document)	<input type="checkbox"/>	<input type="checkbox"/>	
<400> Number of Complaints per 1,000 customers (voice)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
<410> Fixed	<input type="text" value="0.0"/>			
<420> Mobile				
<430> Number of Complaints per 1,000 customers (broadband)		<input type="checkbox"/>	<input type="checkbox"/>	
<440> Fixed				
<450> Mobile				
<500> Service Quality Standards & Consumer Protection Rules Compliance	(check to indicate certification)	<input type="checkbox"/>	<input type="checkbox"/>	
<510> <input type="text" value="401718ar510"/>	(attached descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
<600> Functionality in Emergency Situations	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
<610> <input type="text" value="401718ar610"/>	(attached descriptive document)	<input type="checkbox"/>	<input type="checkbox"/>	
<700> Company Price Offerings (voice)	(complete attached worksheet)	<input type="checkbox"/>	<input type="checkbox"/>	
<710> Company Price Offerings (broadband)	(complete attached worksheet)	<input type="checkbox"/>	<input type="checkbox"/>	
<800> Operating Companies and Affiliates	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
<900> Tribal Land Offerings (Y/N)? <input type="radio"/> <input checked="" type="radio"/>	(if yes, complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
<1000> Voice Services Rate Comparability	(check to indicate certification)	<input type="checkbox"/>	<input type="checkbox"/>	
<1010> <input type="text"/>	(attach descriptive document)	<input type="checkbox"/>	<input type="checkbox"/>	
<1100> Terrestrial Backhaul (Y/N)? <input checked="" type="radio"/> <input type="radio"/>	(if not, check to indicate certification)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
<1110>	(complete attached worksheet)	<input type="checkbox"/>	<input type="checkbox"/>	
<1200> Terms and Condition for Lifeline Customers	(complete attached worksheet)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

**Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet**

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

<2000>	(check to indicate certification)	<input type="checkbox"/>	<input type="checkbox"/>
<2005>	(complete attached worksheet)	<input type="checkbox"/>	<input type="checkbox"/>

**Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet**

<3000>	(check to indicate certification)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<3005>	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>



**(100) Service Quality Improvement Reporting  
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	401718
<015>	Study Area Name	PRAIRIE GROVE TEL CO
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Rick Reed
<035>	Contact Telephone Number - Number of person identified in data line <030>	479-846-7200
<039>	Contact Email Address - Email Address of person identified in data line <030>	treed@pgtc.com

<110>	Has your company received its ETC certification from the FCC?	(yes / no )	<input type="radio"/>	<input checked="" type="radio"/>
If your answer to Line <110> is yes, do you have an existing §54.202(a) "5				
<111>	year plan" filed with the FCC?	(yes / no )	<input type="radio"/>	<input type="radio"/>

If your answer to Line <111> is yes, then you are required to file a progress report, on line <112> delineating the status of your company's existing § 54.202(a) "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service.

<112> Attach Five-Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which only receives frozen support, your progress report is only required to address voice telephony service.

\_\_\_\_\_  
Name of Attached Document (.pdf)

Please check these boxes below to confirm that the attached PDF, on line 112, contains a progress report on its five-year service quality improvement plan pursuant to § 54.202(a). The information shall be submitted at the wire center level or census block as appropriate.

- <113> Maps detailing progress towards meeting plan targets
- <114> Report how much universal service (USF) support was received
- <115> How (USF) was used to improve service quality
- <116> How (USF) was used to improve service coverage
- <117> How (USF) was used to improve service capacity
- <118> Provide an explanation of network improvement targets not met in the prior calendar year.

<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>



**(200) Service Outage Reporting (Voice)  
Data Collection Form**

FCC Form 481  
OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

<010>	Study Area Code	401718
<015>	Study Area Name	PRAIRIE GROVE TEL CO
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Rick Reed
<035>	Contact Telephone Number - Number of person identified in data line <030>	479-846-7200
<039>	Contact Email Address - Email Address of person identified in data line <030>	treed@pgtc.com

[illegible]



**(700) Price Offerings including Voice Rate Data  
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

<010>	Study Area Code	401718
<015>	Study Area Name	PRAIRIE GROVE TEL CO
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Rick Reed
<035>	Contact Telephone Number - Number of person identified in data line <030>	479-846-7200
<039>	Contact Email Address - Email Address of person identified in data line <030>	treed@pgtc.com

<701>	Residential Local Service Charge Effective Date	1/1/2013
<702>	Single State-wide Residential Local Service Charge	

[illegible]



(710) Broadband Price Offerings  
Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010> Study Area Code	401718
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<015> Study Area Name	PRAIRIE GROVE TEL CO
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<020>	Program Year	2014
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<030>	Contact Name - Person USAC should contact regarding this data	Rick Reed
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<035> Contact Telephone Number - Number of person identified in data line <030> 479-846-7200

<039>	Contact Email Address - Email Address of person identified in data line <030>	treed@pgtc.com
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[illegible]



<b>(800) Operating Companies</b>	FCC Form 481
<b>Data Collection Form</b>	OMB Control No. 3060-0986/OMB Control No. 3060-0819
	July 2013

<010>	Study Area Code	401718
<015>	Study Area Name	PRAIRIE GROVE TEL CO
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Rick Reed
<035>	Contact Telephone Number - Number of person identified in data line <030>	479-846-7200
<039>	Contact Email Address - Email Address of person identified in data line <030>	treed@pgtc.com
<810>	Reporting Carrier	PRAIRIE GROVE TEL CO
<811>	Holding Company	DD&B, Inc.
<812>	Operating Company	Prairie Grove Telephone Company

<813>	<a1>	<a2>	<a3>
	Affiliates	SAC	Doing Business As Company or Brand Designation



<b>(900) Tribal Lands Reporting Data Collection Form</b>		FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010>	Study Area Code	401718
<015>	Study Area Name	PRAIRIE GROVE TEL CO
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Rick Reed
<035>	Contact Telephone Number - Number of person identified in data line <030>	479-846-7200
<039>	Contact Email Address - Email Address of person identified in data line <030>	treed@pgtc.com

<910> Tribal Land(s) on which ETC Serves

<920> Tribal Government Engagement Obligation

Name of Attached Document (.pdf)

If your company serves Tribal lands, please select (Yes,No, NA) for each these boxes to confirm the status described on the attached PDF, on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

- <921> Needs assessment and deployment planning with a focus on Tribal community anchor institutions;
- <922> Feasibility and sustainability planning;
- <923> Marketing services in a culturally sensitive manner;
- <924> Compliance with Rights of way processes
- <925> Compliance with Land Use permitting requirements
- <926> Compliance with Facilities Siting rules
- <927> Compliance with Environmental Review processes
- <928> Compliance with Cultural Preservation review processes
- <929> Compliance with Tribal Business and Licensing requirements.

Select (Yes,No, NA)



**(1100) No Terrestrial Backhaul Reporting  
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

<010>	Study Area Code	401718
<015>	Study Area Name	PRAIRIE GROVE TEL CO
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Rick Reed
<035>	Contact Telephone Number - Number of person identified in data line <030>	479-846-7200
<039>	Contact Email Address - Email Address of person identified in data line <030>	treed@pgtc.com

<1120> Please check this box to confirm no terrestrial backhaul  
options exist within the supported area pursuant to § 54.313(G) ☐

<1130> Please check this box to confirm the reporting carrier offers  
broadband service of at least 1 Mbps downstream and 256 kbps  
upstream within the supported area pursuant to § 54.313(G) ☐



**(1200) Terms and Condition for Lifeline Customers**  
**Lifeline**  
**Data Collection Form**

FCC Form 481  
 OMB Control No. 3060-0986/OMB Control No. 3060-0819  
 July 2013

<010>	Study Area Code	401718
<015>	Study Area Name	PRAIRIE GROVE TEL CO
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Rick Reed
<035>	Contact Telephone Number - Number of person identified in data line <030>	479-846-7200
<039>	Contact Email Address - Email Address of person identified in data line <030>	treed@pgtc.com

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

Name of attached document (.pdf)

<1220> Link to Public Website

HTTP <http://www.pgteleco.com/low-income-assistance>

"Please check these boxes below to confirm that the attached PDF, on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

<1221> Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers, ☒

<1222> Details on the number of minutes provided as part of the plan, ☒

<1223> Additional charges for toll calls, and rates for each such plan. ☒



**(2000) Price Cap Carrier Additional Documentation**

**Data Collection Form**

*Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers*

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	401718
<015>	Study Area Name	PRAIRIE GROVE TEL CO
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Rick Reed
<035>	Contact Telephone Number - Number of person identified in data line <030>	479-846-7200
<039>	Contact Email Address - Email Address of person identified in data line <030>	treed@pgtc.com

**CHECK the boxes below to note compliance as a recipient of Incremental Connect America Phase I support, frozen High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(b),(c),(d),(e) the information reported on this form and in the documents attached below is accurate.**

**Incremental Connect America Phase I reporting**

- <2010> 2nd Year Certification {47 CFR § 54.313(b)(1)}
- <2011> 3rd Year Certification {47 CFR § 54.313(b)(2)}


**Price Cap Carrier Receiving Frozen Support Certification {47 CFR § 54.312(a)}**

- <2012> 2013 Frozen Support Certification
- <2013> 2014 Frozen Support Certification
- <2014> 2015 Frozen Support Certification
- <2015> 2016 and future Frozen Support Certification


**Price Cap Carrier Connect America ICC Support {47 CFR § 54.313(d)}**

- <2016> Certification Support Used to Build Broadband

--

**Connect America Phase II Reporting {47 CFR § 54.313(e)}**

- <2017> 3rd year Broadband Service Certification
- <2018> 5th year Broadband Service Certification
- <2019> Interim Progress Certification
- <2020> Please check the box to confirm that the attached PDF , on line 2021, contains the required information pursuant to § 54.313 (e)(3)(ii), as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.
- <2021> Interim Progress Community Anchor Institutions


Name of Attached Document Listing Required Information

\_\_\_\_\_



<b>(3000) Rate Of Return Carrier Additional Documentation</b>	FCC Form 481
<b>Data Collection Form</b>	OMB Control No. 3060-0986/OMB Control No. 3060-0819
	July 2013

<010>	Study Area Code	401718
<015>	Study Area Name	PRAIRIE GROVE TEL CO
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Rick Reed
<035>	Contact Telephone Number - Number of person identified in data line <030>	479-846-7200
<039>	Contact Email Address - Email Address of person identified in data line <030>	treed@pgtc.com

CHECK the boxes below to note compliance on its five year service quality plan (pursuant to 47 CFR § 54.202(a)) and, for privately held carriers, ensuring compliance with the financial reporting requirements set forth in 47 CFR § 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

**Progress Report on 5 Year Plan**

(3010)	Milestone Certification {47 CFR § 54.313(f)(1)(i)} Please check this box to confirm that the attached PDF , on line 3012,  contains the required information pursuant to § 54.313 (f)(1)(ii), as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.	Name of Attached Document Listing Required Information	<input type="checkbox"/>
(3012)	Community Anchor Institutions {47 CFR § 54.313(f)(1)(ii)}	Name of Attached Document Listing Required Information	<input checked="" type="checkbox"/> (Yes/No)
(3013)	Is your company a Privately Held ROR Carrier {47 CFR § 54.313(f)(2)}		<input type="checkbox"/> (Yes/No)
(3014)	If yes, does your company file the RUS annual report Please check these boxes to confirm that the attached PDF, on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires:		<input type="checkbox"/>
(3015)	Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)		<input type="checkbox"/>
(3016)	PDF of Balance Sheet, Income Statement and Statement of Cash Flows		<input type="checkbox"/>
(3017)	If the response is yes on line 3014, attach your company's RUS annual report and all required documentation	Name of Attached Document Listing Required Information	<input checked="" type="checkbox"/> (Yes/No)
(3018)	If the response is no on line 3014, Is your company audited?  If the response is yes on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains :		<input checked="" type="checkbox"/>
(3019)	Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications		<input checked="" type="checkbox"/>
(3020)	PDF of Balance Sheet, Income Statement and Statement of Cash Flows		<input checked="" type="checkbox"/>
(3021)	Management letter issued by the independent certified public accountant that performed the company's financial audit.  If the response is no on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains: Copy of their financial statement which has been subject to review by an independent certified public accountant; or 2) a financial report in a format comparable to RUS Operating Report for Telecommunications		<input type="checkbox"/>
(3022)	Borrowers,		<input type="checkbox"/>
(3023)	Underlying information subjected to a review by an independent certified public accountant		<input type="checkbox"/>
(3024)	Underlying information subjected to an officer certification.		<input type="checkbox"/>
(3025)	PDF of Balance Sheet, Income Statement and Statement of Cash Flows		<input type="checkbox"/>
(3026)	Attach the worksheet listing required information	Name of Attached Document Listing Required Information	401718ar3026



<b>Certification - Reporting Carrier Data Collection Form</b>	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010>	Study Area Code	401718
<015>	Study Area Name	PRAIRIE GROVE TEL CO
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Rick Reed
<035>	Contact Telephone Number - Number of person identified in data line <030>	479-846-7200
<039>	Contact Email Address - Email Address of person identified in data line <030>	treed@pgtc.com

**TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:**

<b>Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients</b>	
I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.	
Name of Reporting Carrier:	
Signature of Authorized Officer:	Date
Printed name of Authorized Officer:	
Title or position of Authorized Officer:	
Telephone number of Authorized Officer:	
Study Area Code of Reporting Carrier:	Filing Due Date for this form:
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	



<b>Certification - Agent / Carrier</b> <b>Data Collection Form</b>	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010> Study Area Code	401718
<015> Study Area Name	PRAIRIE GROVE TEL CO
<020> Program Year	2014
<030> Contact Name - Person USAC should contact regarding this data	Rick Reed
<035> Contact Telephone Number - Number of person identified in data line <030>	479-846-7200
<039> Contact Email Address - Email Address of person identified in data line <030>	treed@pgtc.com

**TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:**

<b>Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier</b>	
I certify that (Name of Agent) <u>Lynette Hampton</u> is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.	
Name of Authorized Agent:	Lynette Hampton
Name of Reporting Carrier:	PRAIRIE GROVE TEL CO
Signature of Authorized Officer:	CERTIFIED ONLINE Date: 10/10/2013
Printed name of Authorized Officer:	Rick Reed
Title or position of Authorized Officer:	General Manager
Telephone number of Authorized Officer:	479 846-7227
Study Area Code of Reporting Carrier:	401718 Filing Due Date for this form: 10/15/2013
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

**TO BE COMPLETED BY THE AUTHORIZED AGENT:**

<b>Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier</b>	
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.	
Name of Reporting Carrier:	PRAIRIE GROVE TEL CO
Name of Authorized Agent or Employee of Agent:	Lynette Hampton
Signature of Authorized Agent or Employee of Agent:	CERTIFIED ONLINE Date: 10/10/2013
Printed name of Authorized Agent or Employee of Agent:	Lynette Hampton
Title or position of Authorized Agent or Employee of Agent:	Authorized Representative
Telephone number of Authorized Agent or Employee of Agent:	512-343-2544
Study Area Code of Reporting Carrier:	401718 Filing Due Date for this form: 10/15/2013
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	



## Attachments



## **LINE 510 - SERVICE QUALITY STANDARDS AND CONSUMER PROTECTION RULES COMPLIANCE**

Prairie Grove Telephone Company complies with applicable service quality standards and consumer protection rules as required by the state regulatory commission and Federal Communications Commission.

The rates, terms, and conditions under which the Company operates are outlined in its Local Exchange Tariff, which is approved by the state commission. The Company's tariff contains provisions regarding its customer service and protection practices, including resolving disputes with the Company, applying for service, the classification of business and residential rates, deposits, billing and payment for service, refusal, disconnection and cancellation of service. The tariff is available for customer review in the Business Office, as requested. Rates and terms of service are disclosed to customers upon application for service both verbally and in writing as part of a packet of information for new customers. Rates, applications, and certain terms of service are also available on the Company's website.

Service quality standards are established by the state commission and the Company consistently meets or exceeds the standards and provides reports to the state commission, in accordance with the state commission's rules.

The protection of customers' privacy and information is of utmost importance and the Company has a policy and established operating procedures that comply with the FCC's Customer Proprietary Network Information (CPNI) rules (47 C.F.R. §§64.2001-64.2011). Certification of the Company's compliance with CPNI rules and a description of the Company's operating procedures that ensure compliance are filed at the FCC annually.



## **LINE 610 - ABILITY TO FUNCTION IN EMERGENCY SITUATIONS**

Prairie Grove Telephone Company is able to function in emergency situations. The Company has a reasonable amount of back-up power to ensure functionality without an external power source. Standby power generators are supplied at the central office and are available to the remote switch sites and repeater sites to ensure functionality without an external power source until power is restored. The network is capable of managing traffic spikes resulting from emergency situations.

The Company is able to reroute traffic around damaged facilities. Although the Company's ability to reroute traffic around damaged facilities is not absolute and may be limited in certain circumstances, there is a restoration plan in place for expeditious recovery of service including splicing of damaged facilities when warranted.



**(800) Operating Companies**

## Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	401718
<015>	Study Area Name	PRAIRIE GROVE TEL CO
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Rick Reed
<035>	Contact Telephone Number - Number of person identified in data line <030>	479-846-7200
<039>	Contact Email Address - Email Address of person identified in data line <030>	treed@pgtc.com
<810>	Reporting Carrier	PRAIRIE GROVE TEL CO
<811>	Holding Company	DD&B, Inc.
<812>	Operating Company	Prairie Grove Telephone Company

[illegible]



REDACTED - FOR PUBLIC INSPECTION

Report of Independent Auditors  
and Financial Statements for

Prairie Grove  
Telephone Company

December 31, 2012 and 2011



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The logo for Moss Adams LLP is a dark rectangular box with the company name in white serif font. Below the name, in a smaller font, is the tagline "Certified Public Accountants / Business Consultants".

MOSS ADAMS LLP

Certified Public Accountants / Business Consultants

## REPORT OF INDEPENDENT AUDITORS

To the Board of Directors  
Prairie Grove Telephone Company

### Report on the Financial Statements

We have audited the accompanying financial statements of Prairie Grove Telephone Company, which comprise the balance sheet as of December 31, 2012, and the related statement of income, stockholder's equity, and cash flows for the year then ended, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate for the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



REPORT OF INDEPENDENT AUDITORS (continued)

*Auditor's Responsibility*

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Prairie Grove Telephone Company as of December 31, 2012, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matter**

The financial statements of Prairie Grove Telephone Company for the year ended December 31, 2011, were audited by another auditor, whose report dated July 17, 2012, expressed an unmodified opinion on those statements.

*Moss Adams LLP*

Overland Park, Kansas  
March 28, 2013



**PRAIRIE GROVE TELEPHONE COMPANY**  
**BALANCE SHEETS**

**ASSETS**

	December 31,	
	2012	2011
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ [REDACTED]	\$ [REDACTED]
Accounts receivable, net	[REDACTED]	[REDACTED]
Telecommunications accounts receivable	[REDACTED]	[REDACTED]
Settlements and access accounts receivable	[REDACTED]	[REDACTED]
Other accounts receivable	[REDACTED]	[REDACTED]
Materials and supplies	[REDACTED]	[REDACTED]
Prepaid expenses and other current assets	[REDACTED]	[REDACTED]
<b>Total current assets</b>	[REDACTED]	[REDACTED]
<b>INVESTMENTS AND NONCURRENT ASSETS</b>		
Investments in nonaffiliates	[REDACTED]	[REDACTED]
Receivables from affiliates	[REDACTED]	[REDACTED]
Other assets	[REDACTED]	[REDACTED]
<b>Total investments and noncurrent assets</b>	[REDACTED]	[REDACTED]
<b>PROPERTY, PLANT, AND EQUIPMENT</b>		
Regulated telecommunications plant in service	[REDACTED]	[REDACTED]
Regulated telecommunications plant under construction	[REDACTED]	[REDACTED]
Nonregulated telecommunications plant in service	[REDACTED]	[REDACTED]
<b>Less accumulated depreciation</b>	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]
	\$ [REDACTED]	\$ [REDACTED]



PRAIRIE GROVE TELEPHONE COMPANY  
BALANCE SHEETS

LIABILITIES AND STOCKHOLDER'S EQUITY

	December 31,	
	2012	2011
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ [REDACTED]	\$ [REDACTED]
Accounts payable, affiliates	[REDACTED]	[REDACTED]
Accrued liabilities	[REDACTED]	[REDACTED]
Total current liabilities	[REDACTED]	[REDACTED]
<b>LONG-TERM LIABILITIES</b>		
Deferred credits	[REDACTED]	[REDACTED]
<b>STOCKHOLDER'S EQUITY</b>		
Capital stock, \$25 par value, 20,000 shares authorized, 3,357 shares issued and outstanding	[REDACTED]	[REDACTED]
Additional paid-in capital	[REDACTED]	[REDACTED]
Retained earnings	[REDACTED]	[REDACTED]
Total stockholder's equity	[REDACTED]	[REDACTED]
	\$ [REDACTED]	\$ [REDACTED]



**PRAIRIE GROVE TELEPHONE COMPANY**  
**STATEMENTS OF INCOME**

	Year Ended December 31,	
	2012	2011
<b>OPERATING REVENUES</b>		
Wireline		
Customer	\$	\$
Intercarrier		
Interstate		
Intrastate		
Wireless interconnection		
Universal service support - federal		
Universal service support - state		
Miscellaneous		
Total operating revenues		
<b>OPERATING EXPENSES</b>		
Plant specific operations		
Plant nonspecific operations		
Depreciation and amortization		
Customer operations		
Corporate operations		
Other operating taxes		
Nonregulated		
Total operating expenses		
Net operating income		
<b>NONOPERATING INCOME (EXPENSE)</b>		
Interest and dividend income		
Other nonoperating expense		
Total nonoperating expense		
Net Income	\$	\$



PRAIRIE GROVE TELEPHONE COMPANY  
STATEMENTS OF STOCKHOLDER'S EQUITY

	Capital Stock	Paid-in Capital	Retained Earnings	Total
BALANCE, December 31, 2010	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
Net income	-	-	[REDACTED]	[REDACTED]
Dividends	-	-	[REDACTED]	[REDACTED]
BALANCE, December 31, 2011	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Net Income	-	-	[REDACTED]	[REDACTED]
Dividends	-	-	[REDACTED]	[REDACTED]
BALANCE, December 31, 2012	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]



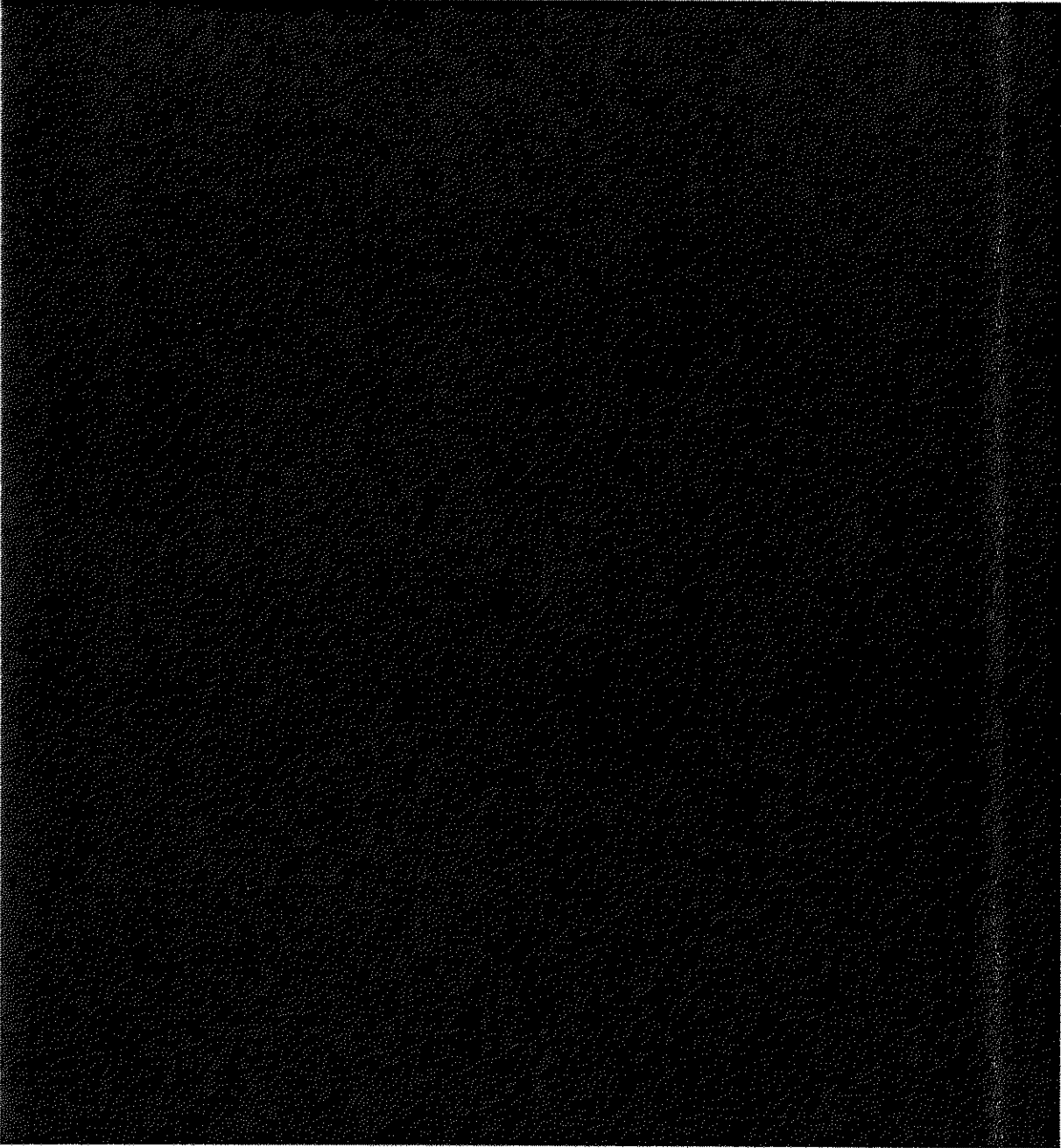
**PRAIRIE GROVE TELEPHONE COMPANY**  
**STATEMENTS OF CASH FLOWS**

	Year Ended December 31,	
	2012	2011
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income	\$	\$
Adjustments to reconcile net income to net cash from operating activities		
Depreciation and amortization		
Patronage dividends received		
Change in assets and liabilities		
Accounts receivable		
Telecommunications accounts receivable		
Settlements and access accounts receivable		
Other accounts receivable		
Materials and supplies		
Prepaid expenses and other current assets		
Accounts payable		
Accrued liabilities		
Deferred credits		
Net cash from operating activities		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of telecommunications plant		
Change in nonregulated investments		
Redemption of investments		
Proceeds from sales of property and equipment		
Change in other assets		
Net cash from investing activities		
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of long-term debt		
Change in receivables/payables from affiliates		
Dividends paid		
Net cash from financing activities		
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>		
<b>CASH AND CASH EQUIVALENTS, beginning of year</b>		
<b>CASH AND CASH EQUIVALENTS, end of year</b>	\$	\$



PRAIRIE GROVE TELEPHONE COMPANY  
NOTES TO FINANCIAL STATEMENTS

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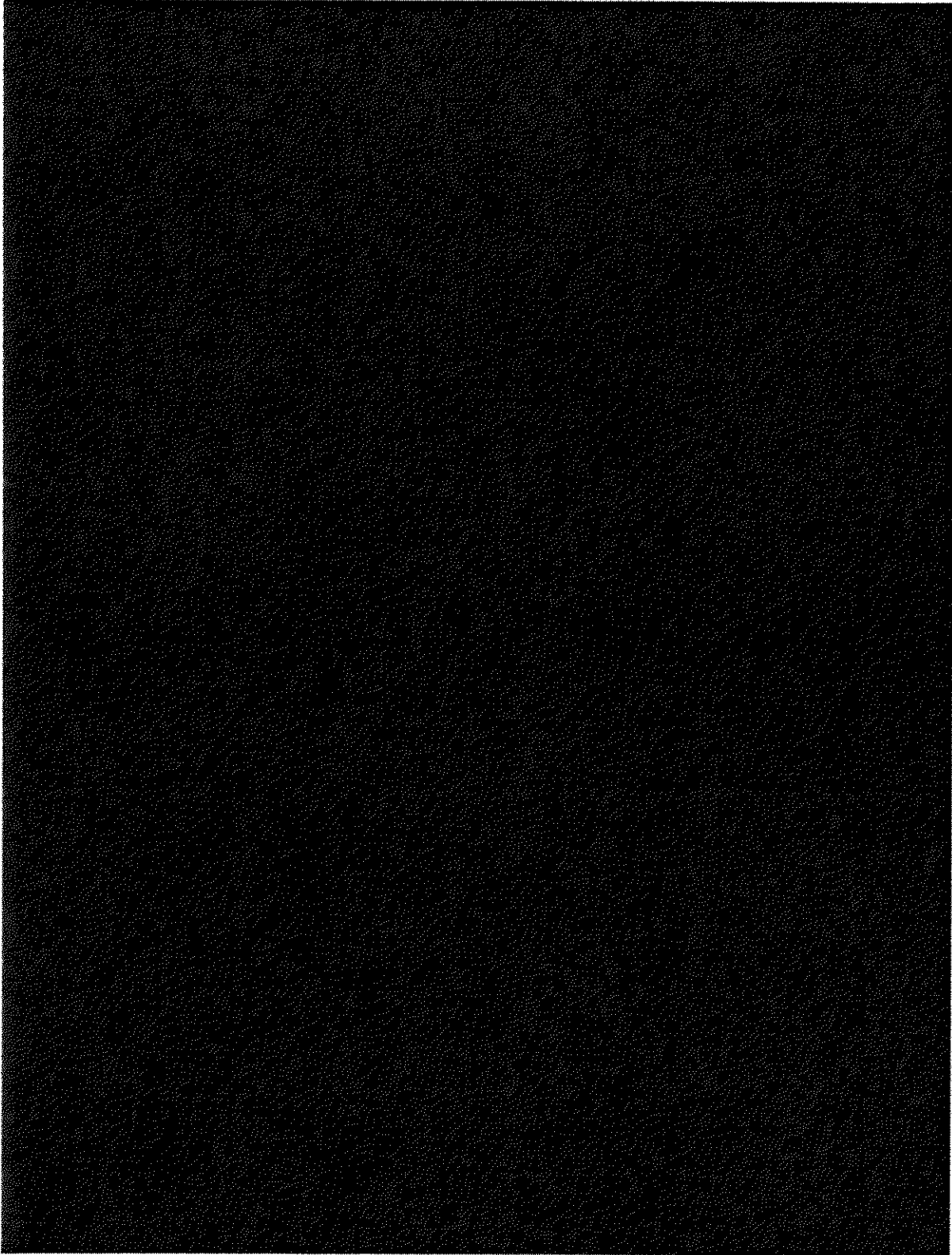






PRAIRIE GROVE TELEPHONE COMPANY  
NOTES TO FINANCIAL STATEMENTS

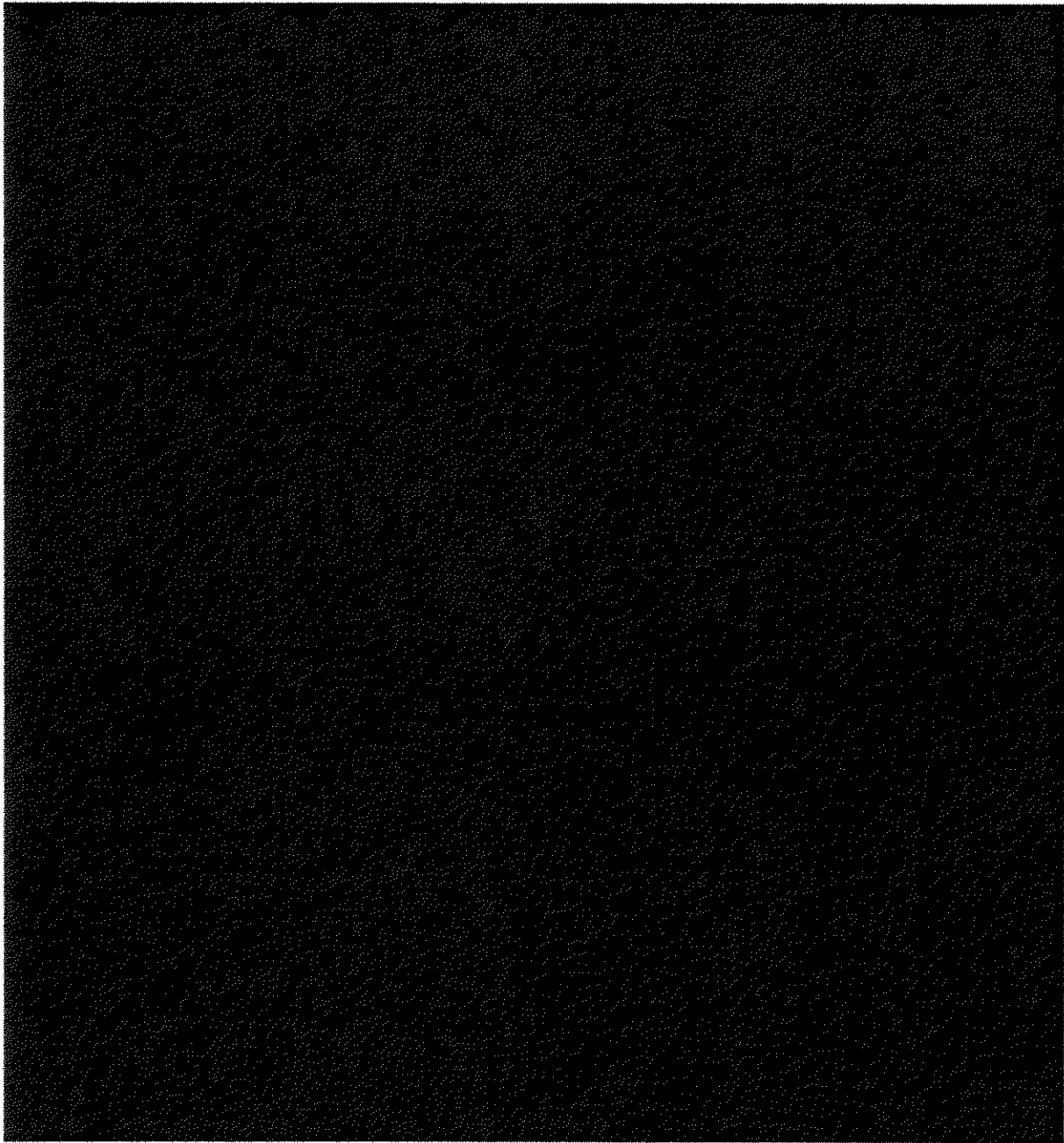
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PRAIRIE GROVE TELEPHONE COMPANY  
NOTES TO FINANCIAL STATEMENTS

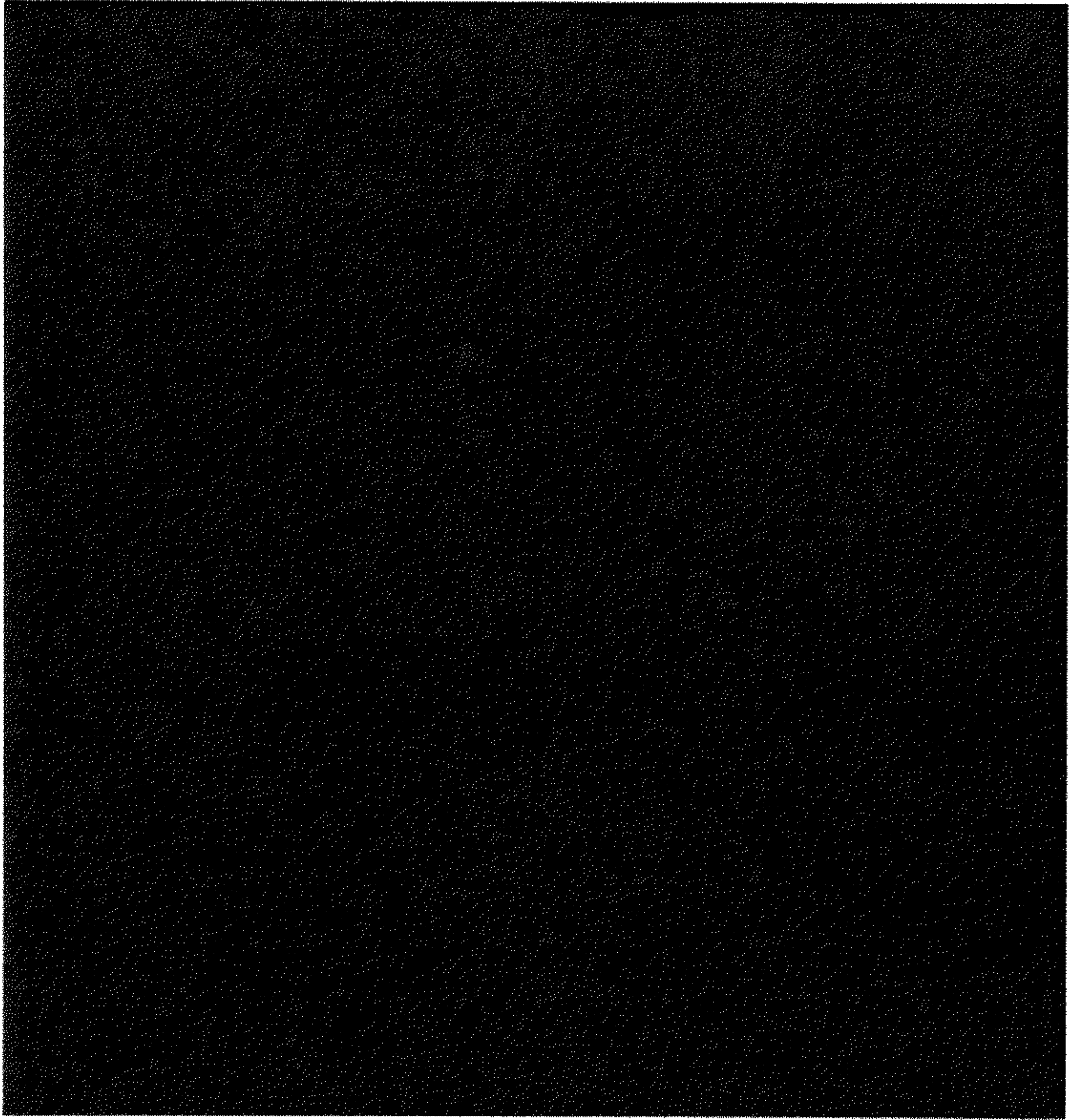
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PRAIRIE GROVE TELEPHONE COMPANY  
NOTES TO FINANCIAL STATEMENTS

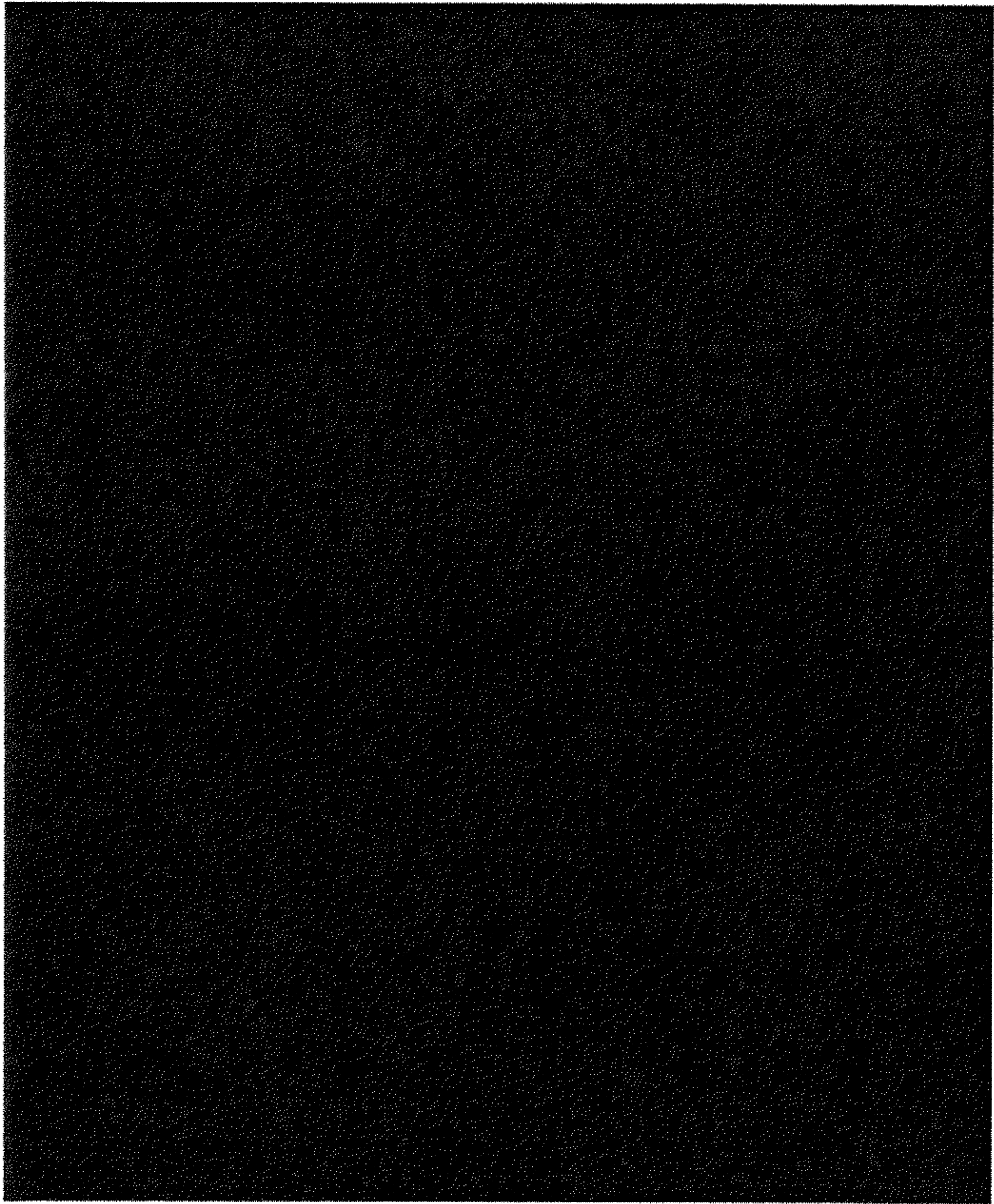
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PRAIRIE GROVE TELEPHONE COMPANY  
NOTES TO FINANCIAL STATEMENTS

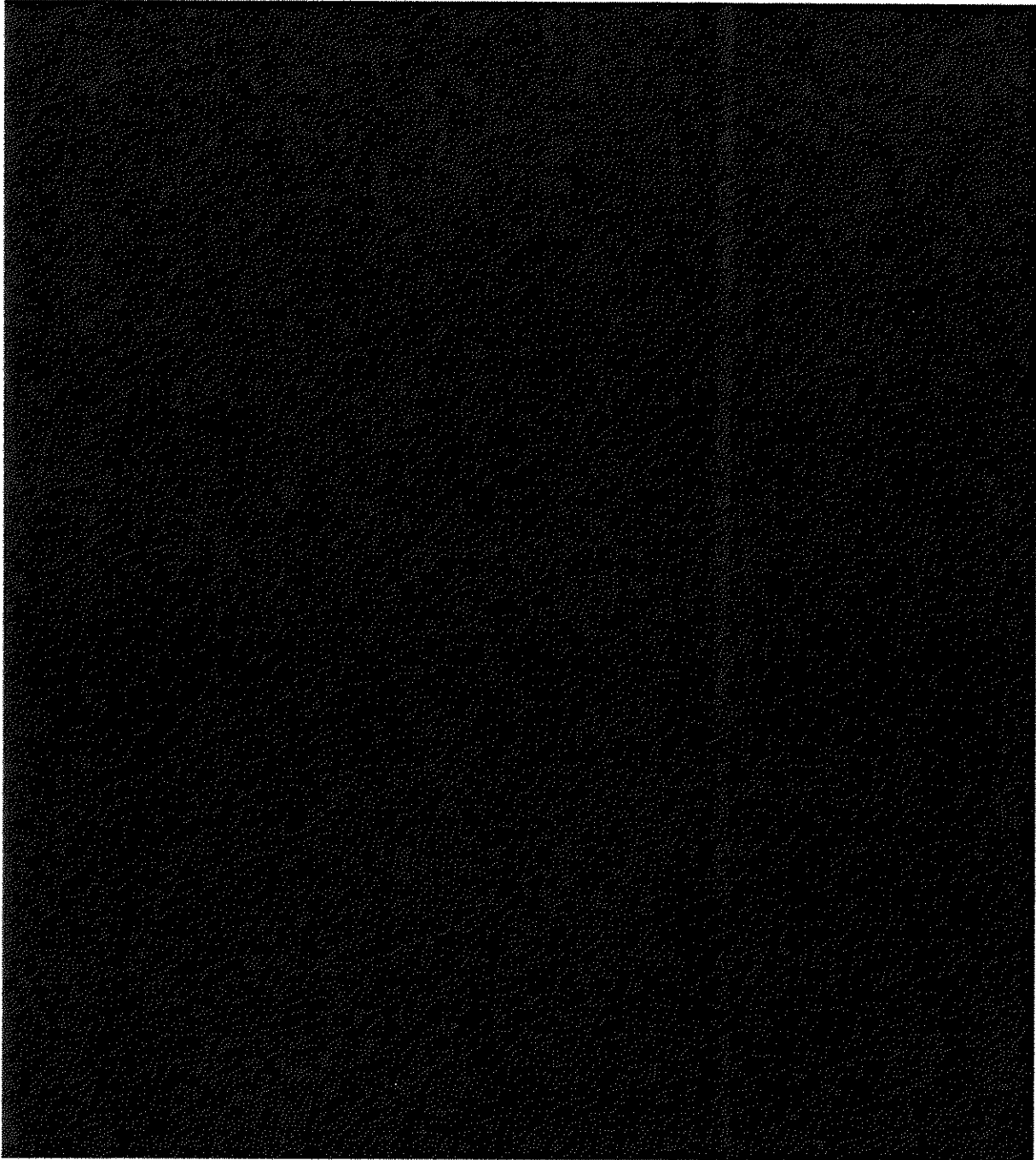
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PRAIRIE GROVE TELEPHONE COMPANY  
NOTES TO FINANCIAL STATEMENTS

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**PRAIRIE GROVE TELEPHONE COMPANY**  
**NOTES TO FINANCIAL STATEMENTS**

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